

WARING FLOOR AMENDMENT

SENATE AMENDMENTS TO H.B. 2103

(Reference to House engrossed bill)

1 Page 52, between lines 30 and 31, insert:

2 “Sec. 23. Section 43-1090.01, Arizona Revised Statutes, is amended to
3 read:

4 43-1090.01. Credit for water conservation systems; definition

5 A. Subject to subsections H and I of this section, for taxable years
6 beginning from and after December 31, 2006 and ending before January 1, 2012,
7 a credit is allowed against the taxes imposed by this title for each resident
8 who is not a dependent of another taxpayer for installing a water
9 conservation system during the taxable year in the taxpayer's residence
10 located in this state. The credit is equal to twenty-five per cent of the
11 cost of the system.

12 B. The maximum credit in a taxable year may not exceed one thousand
13 dollars. The person who provides the water conservation system shall furnish
14 the taxpayer with an accounting of the cost to the taxpayer. A taxpayer may
15 claim the credit under this section only once in a ~~tax~~ TAXABLE year and may
16 not cumulate over different ~~tax~~ TAXABLE years tax credits under this section
17 exceeding, in the aggregate, one thousand dollars for the same residence.

18 C. If the allowable tax credit exceeds the taxes otherwise due under
19 this title on the claimant's income, or if there are no taxes due under this
20 title, the amount of the claim not used to offset taxes under this title may
21 be carried forward for not more than five consecutive taxable years as a
22 credit against subsequent years' income tax liability.

23 D. A husband and wife who file separate returns for a taxable year in
24 which they could have filed a joint return may each claim only one-half of
25 the tax credit that would have been allowed for a joint return.

26 E. The credit allowed under this section is in lieu of any allowance
27 for state tax purposes for exhaustion, wear and tear of the water
28 conservation system under section 167 of the internal revenue code.

1 F. To qualify for the credit under this section ~~the water conservation~~
2 A RESIDENTIAL GRAYWATER system and its installation shall comply with rules
3 that are adopted by the department of environmental quality and that relate
4 to the recovery and disposal of graywater.

5 G. A graywater stub out that was installed by the builder of a house
6 or dwelling unit before title was conveyed to the taxpayer does not qualify
7 for a credit under this section, ~~but the taxpayer may claim a credit for the~~
8 ~~device under section 43-1182 under the circumstances, conditions and~~
~~limitations prescribed by section 43-1182, subsection C, as applicable.~~

9
10 H. Beginning from and after December 31, 2006, the department shall
11 receive and evaluate applications that are submitted by taxpayers to receive
12 a water conservation system credit under this section. A taxpayer shall
13 apply for the credit to the department on a form prescribed by the
14 department. The application shall be filed with the department and the
15 department shall issue a receipt to the applicant. The application shall
16 include:

17 1. The name, address and social security number or federal employer
18 identification number of the applicant.

19 2. The amount of the cost of the water conservation system and the
20 amount for which the credit is claimed.

21 3. Any additional information that the department requires.

22 I. The department shall review each application under subsection H of
23 this section and certify to the taxpayer the amount of the credit that is
24 authorized. The department shall not certify tax credits under this
25 subsection exceeding two hundred fifty thousand dollars for any calendar
26 year. If qualifying applications exceed two hundred fifty thousand dollars,
27 the department shall authorize credits in the order of the date that the
28 applications are received by the department. If an application is received
29 that, if authorized, would require the department to exceed the two hundred
30 fifty thousand dollar limit, the department shall grant the applicant only
31 the remaining credit amount that would not exceed the two hundred fifty
32 thousand dollar limit. After the department authorizes two hundred fifty

1 thousand dollars in tax credits, the department shall deny any subsequent
2 applications that are received **IN THAT CALENDAR YEAR**. The department shall
3 not authorize any additional tax credits that exceed the two hundred fifty
4 thousand dollar limit even if the amounts that have been certified to any
5 taxpayer were not claimed or a taxpayer otherwise fails to meet the
6 requirements to claim the additional credit.

7 J. The department may verify that a water conservation system has been
8 installed in the taxpayer's residence.

9 K. For the purposes of this section, "water conservation system" means
10 a system or a series of components or mechanisms that are designed to provide
11 for the collection of rainwater or residential graywater. Water conservation
12 system includes a system that is capable of storing rainwater or residential
13 graywater for future use and reusing the collected water for the same
14 residential property."

15 Renumber to conform

16 Page 54, line 42, before "Section" insert "A."

17 After line 44, insert:

18 "B. Section 43-1090.01, Arizona Revised Statutes, as amended by this
19 act, applies retroactively to taxable years beginning from and after December
20 31, 2006."

21 Amend title to conform

4/3/08
9:21 AM
S: TB/jas